

**WITNESS STATEMENT OF PATRICK H. WALKER**

My name is Patrick H. Walker, and I reside in Chapel Hill, North Carolina. I am over the age of twenty-one years old, and I am legally competent to testify. I have personal knowledge of the following facts:

1. I am a student at the University of North Carolina.
2. I began working with my brother approximately one year ago to develop a Juice Alive distributorship in North Carolina. My brother and I have marketed frozen fruit juice machines and products to schools and convenience stores in North Carolina.
3. On or about June 21, 2006, I attended the New Horizon's Trade Show in Greensboro, North Carolina, and helped with the Juice Alive booth.
4. I was surprised to see a booth for U.S. Beverage, Inc., because I have never known U.S. Beverage, Inc. to do business in North Carolina.
5. While working in the Juice Alive booth, I was approached by Tom Clark from U.S. Beverage, Inc.
6. I asked Clark, "What brings you to North Carolina?" Clark said that U.S. Beverage, Inc. is testing the market in North Carolina.
7. I had noticed that the U.S. Beverage booth advertised the "Fruzars" brand of slush drinks, which I had never heard of previously. I asked Clark, "What is Fruzars?" Clark said that it was a brand that U.S. Beverage had developed to replace Juice Alive. Clark said that U.S. Beverage had continued "using Juice Alive product up until about three weeks ago."

8. When I asked Clark about the lawsuit against my brother, he compared my brother to an Iraqi and quoted Colin Powell: "If someone fires a bullet at one of our troops, we are going to fire a howitzer back at them." He also referred to my brother "limiting them to a smaller territory than they had wanted" as a Juice Alive distributor.
9. When I asked Clark about the e-mailed letter to the child nutrition directors in Mississippi, Clark said that the letter had been sent in response to statements made by Scotty, an employee of Trident Marketing, Inc., "badmouthing" U.S. Beverage, Inc. He also referred to an "ultimatum" from my brother demanding a higher case up charge for the Juice Alive product.
10. During the trade show, Janice Bodenhamer, the child nutrition director for Onslow County, North Carolina, told me that someone at the U.S. Beverage, Inc. booth said U.S. Beverage created the Juice Alive product.
11. During the trade show, Brenda Spence, the child nutrition director for Madison County, North Carolina, said that U.S. Beverage told her that they would undercut the price charged by Juice Alive, specifically offering to sell to her school for \$59.00 per case.
12. During the trade show, several other persons told me that people in the U.S. Beverage booth had told them negative statements about Juice Alive, including that "our company was a joke."

I DECLARE UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE  
AND CORRECT.

Dated: June 27, 2006

A handwritten signature in black ink, appearing to read "Patrick H. Walker", written over a horizontal line.

Patrick H. Walker